



Natural Resources Conservation Service
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October 12, 2007

NEW MEXICO BULLETIN NO. 300-8-01

SUBJECT: LTP - EQIP – FY 2008 ACCELERATED EQIP SCHEDULE

DUE DATES:

NOVEMBER 2, 2007–APPLICATIONS RECEIVED BY OCTOBER 5 - RANKED/PROTRACTS
NOVEMBER 9, 2007–APPLICATIONS RECEIVED BY OCTOBER 19 - RANKED/PROTRACTS
NOVEMBER 30, 2007–APPLICATION RECEIVED BY NOVEMBER 2 - RANKED/PROTRACTS

TO: All Office

Purpose. To establish the accelerated process for EQIP in FY 2008.

Expiration Date. September 30, 2008.

New Mexico will be accelerating the EQIP process for FY 2008. As a result, the process is in place and moving forward as communicated through emails and teleconferences. This bulletin will formalize the process for reference as appropriate.

In establishing the accelerated process for EQIP in FY 2008 the following guidance is offered:

1. Every field office needs to review ranking scores for FY 2007 funded contracts as the basis for developing a screening tool for FY 2008 applications with the highest probability of getting funded. The screening tool will consist of high, medium and low priority categories. This process will be used in order to initiate immediate development of conservation plans in the high category before all applications are ranked.
2. Thresholds will be established for each category. The threshold between high and medium category will be established in the following manner: Identify the lowest and highest ranking application funded in FY 2007 and select the numerical score that represents the midpoint of the contracts funded. For example, of the 20 contracts funded, use the numerical score between the 10th and 11th contract as your midpoint. This will become your threshold between high and medium applicants.
3. Use the numerical ranking score for the lowest ranked and funded contract as the threshold between medium and low ranking applications.

This approach will work if the ranking tool remained the same or had minor changes from last year. If the ranking tool deviated considerably, work with your Area Conservationist and Programs staff to establish thresholds. In addition, this will provide an initial target for obligating funds at 50 percent of last year's level.

4. Once the screening tool has been established verify that all FY 2007 “deferred” applications have been promoted to FY 2008 and are in the “pending” status.

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5. Immediately proceed with verifying eligibility status with those applications that are within the high priority category. Work with the applicant and the local FSA office to resolve eligibility problems. If the problems can not be resolved at the local level then refer to the State Office for assistance as needed.
6. If eligibility criteria are met, proceed with development of conservation plan in tool kit, if not already in place, and upload into ProTracts in anticipation of final funding.
7. The payment schedule should be available in ProTracts by October 15 and sooner in Excel. Draft payment schedules are attached to this bulletin. ProTracts is scheduled to be fully enabled by October 10, allowing a few days to upload the payment schedule.
8. Ranking tools and fund accounts were available as of October 1 for all offices. Some offices had access prior to October 1 in order to test the tool and as identified by the Area Conservationists as priority.

Three target dates have been established to monitor progress in fund commitment and obligations. The first date of October 5 will provide a benchmark for each field office with regard to the 50 percent target. At this point we will have the opportunity to assess the funds committed, as well as workload trends.

9. Applications submitted by October 5 should be ranked and applications meeting the high threshold criteria should have conservation plans developed and uploaded into ProTracts and be in the “pre-approved” status by November 2.
10. Applications submitted by October 19 should be ranked and applications meeting the threshold criteria should have conservation plans developed and uploaded into ProTracts and be in the pre-approved status by November 9. October 19 will provide a second opportunity to monitor fund commitment and possible obligations.
11. November 2 will be our final batching date as originally scheduled prior to the accelerated schedule. Plans should be developed and uploaded into ProTracts and be in the pre-approved status by November 30 for those applications in the high category.

Applications in the medium and low category can be funded after the high category applications are exhausted and a final allocation has been provided to the field offices.

Use the same approach for watershed, small acreage, AFO, and Private-Federal EQIP applications. If you were not involved with a special initiative last year, but will be involved with one this fiscal year, work with your Area Conservationist and Program staff to develop thresholds that will meet our intent of 50 percent fund commitment as per dates identified in items 9 through 11.

The payment schedule is attached in Excel format, as is an optional payment ledger. Each Area will be provided with three payment schedules as follows:

- Regular EQIP
- Beginner Farmer/Rancher (BF/R)
- Limited Resource Producer (LRP)

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The attached payment schedules will reflect a higher rate than actual (100 percent). That is, the NHQ established procedure for “bridging the gap” between cost dockets and payment schedules. It is potentially confusing in that all three schedules within an area will show 100 percent as the cost share rate, but the payment amounts will be different in each. The actual cost share rates are imbedded in the “Cost” column.

The beginner and limited costs are accurately reflected in the “Cost” column and easily verifiable. The payment ledger is optional with expectation that each Area will develop its own methodology for data collection and verification. Areas will coordinate cost data collections efforts with Programs staff at a minimum quarterly. The ledger demonstrates the basic data needs. The payment ledger will be available on the web as well.

Cost share percentages imbedded into the payment schedule apply to all land uses and initiatives and are as follow:

- 314-Brush Management, 441-Micro Irrigation, and 666-Forest Stand Improvement have been set at 75 percent
- 533-pumping plant using solar pumps at 65 percent
- 430 (all inclusive), 431-Above Ground, multi-outlet pipeline (gated pipe), 442-Sprinkler system, 587-Structure for Water Control at 60 percent
- 314-Brush Management on Private/Federal initiative is set at 65%.

These percentages apply across the State.

Eleven watershed proposals will be supported with matching funds set aside by the local work group and as recommended by the designated conservationist. Seven small acreage initiatives will also be supported with matching funds. The funding to match both of these initiatives will be maintained at the State Office and re-allocated to the field as soon as an applicant is selected for a contract. Notify Resource Conservationist Michael Neubeiser via email as your first choice and if not available notify the Assistant State Conservation for Programs Norman Vigil. A phone call will suffice, but a follow-up with an email is required. See attachment for a listing of the initiatives.

We will continue to support the Private/Federal collaborative initiative at the same level as last year, funding permitting. Ranking criteria has been established separately from regular EQIP. Funds will be maintained at the State Office and re-allocated to the field as contracts are selected for funding.

If funds are available, AFO will also be supported at the level initially established last year. Allocations will be provided to individual field offices. Ranking criteria has been established separately for AFO.

Initial Fund Allocation at 80 percent of FY 2007 FA

Watershed Initiatives (11)	\$530,000
Small Acreage (7)	\$217,000
Private/Federal	\$1,200,000
AFO	\$1,200,000
Tribal	\$1,200,000
Regular EQIP	\$10,000,000
CIG	\$240,000

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Every office has submitted a summary with the percentages of fund attribution per land use. Establish your initial allocations per land use based on your recommendations. If all applications have been funded within that land use and/or funds are not available to fund the last application, you are allowed to move the funds within your office allocation. Tribal funds can be re-allocated within an Area from one field office to another as long as they remain in a Tribal account. Un-obligated Tribal funds will be returned to the State Office for re-allocation throughout the State as needed. Obligation of AFO funds will follow the same procedure as Tribal funds.

Numerous offices have established practice caps and in the case of the small acreage initiative a contract limit has been placed. Consider adding a hand written notation on your Conservation Plan or Schedule of Operations (NRCS –CPA-1155) identifying the practice caps or contract limit.. This may not be so critical to the existing staff but vital as staff changes in future years and with the advent of the new Farm Bill.

Funds will be distributed based on acres of various land uses and number of AFO's. A reserve will be maintained to help offices fund "bubble contracts" and offices with a high demand. As in the past, a state sub-account has been established for offices with Tribal lands

We are anticipating funding levels to be relatively close to last fiscal year. Funding levels will be adjusted accordingly, if need be, when we receive our allocation from NHQ. We have received our apportionment from OMB for EQIP as of October 2 with expectations of State allocations soon to follow. A reserve will be maintained at the State Office to deal with all the unknowns and unexpected circumstances throughout the year.

At this point in time we have no funding authority for Farm Bill programs other than EQIP and CSP. The Chief has requested an apportionment for WRP from OMB for the first quarter based on an acreage cap established on a calendar year. He has instructed us to continue working on existing contracts for non-funded Farm Bill programs. However, we will not take applications for WHIP, FRPP, WRP and GRP. If a producer seeks information, we will provide general information about the program only. We are able to provide assistance to existing contracts through CTA funds as provided through the continuing resolution. WebTCAS will allow time to be charged to those non-funded Farm Bill programs, but will attribute the time to CTA in the background. This is being implemented to simplify the process, and track actual time spent per program. The process will be reverted and funds will be attributed to those non-funded programs when the new Farm Bill is enacted.

If you have any questions, please contact Norman Vigil at 761-4445 or Michael Neubeiser at 761-4419 or Seth Fiedler at 761-4416.

/s/

DENNIS L. ALEXANDER
State Conservationist

Attachments

1. WatershedSummary.xls
2. East Area Payment Schedules (Zip File containing Payment Ledger and 3 Payment Schedules)
3. NW Area Payment Schedules (Zip File containing Payment Ledger and 3 Payment Schedules)
4. SE Area Payment Schedules (Zip File containing Payment Ledger and 3 Payment Schedules)
5. SW Area Payment Schedules (Zip File containing Payment Ledger and 3 Payment Schedules)